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Illinois Commerce Commission
on its own motion

Northern Illinois Gas Company d/b/a NICOR
Gas Company

Reconciliation of Revenues collected under
Gas Adjustment Charges with Actual Costs
prudently incurred

Illinois Commerce Commission
on its own motion

Northern Illinois Gas Company d/b/a NICOR
Gas Company

Proceeding to review Rider 4, Gas Cost, pursuant
to Section 9-244(c) of the Public Utilities Act

Illinois Commerce Commission
on its own motion

Northern Illinois Gas Company d/b/a NICOR
Gas Company

Reconciliation of Revenues collected under
Gas Adjustment Charges with Actual Costs
prudently incurred

CHIEF CLERK'S OFFICE
Docket No. 01-0705

Docket No. 02-0067

Docket No. 02-0725

PETITION OF THE DERIVATIVE PLAINTIFFS FOR ACCESS TO

"DESIGNATED MATERIAL" UNDER "PROPRIETARY AGREEMENT"

NOW COME the derivative plaintiffs in *In re Nicor Inc. Shareholder Derivative Litigation*, Case No. 02 CH 15499, pending in the Circuit Court of Cook County, Illinois, Chancery Division ("the Derivative Plaintiffs"), pursuant to the Rules of Practice of the Illinois Commerce Commission, 83 Ill. Admin. Code, Section 200.200, and respectfully petition for an Order granting them access to all documents, pleadings and other materials designated as "Designated Material" under the "Proprietary Agreement" entered in this proceeding. In support of this Petition, the Derivative Plaintiffs state as follows:

1. The Derivative Plaintiffs are suing certain officers and directors of Nicor, Inc. (the "Defendants") on behalf of Nicor, to recover for Nicor the damages Defendants' alleged wrongful conduct inflicted on the Company (the "Derivative Litigation").

2. The legal and factual claims in the Derivative Litigation are closely related to the matters at issue in this proceeding, including whether Nicor deceived the ICC and the public in obtaining ICC approval for and in implementing the PBR Plan.

3. On March 26, 2004, Judge Hall denied Defendants' motion to dismiss and ordered discovery to proceed in the Derivative Litigation.

4. A great deal of material highly relevant to the Derivative Litigation has been produced in the instant proceedings, including depositions, Nicor documents and expert reports.

5. The parties in the instant proceeding entered into a confidentiality agreement styled a "Proprietary Agreement." The Derivative Plaintiffs have been informed by counsel for Defendants in the Derivative Litigation that the "Proprietary Agreement" has been adopted in this proceeding as an Order of the Honorable Administrative Law Judges. The Derivative Plaintiffs have requested discovery in the Derivative Litigation, including all materials covered by the "Proprietary Agreement" in this proceeding.

6. In order to facilitate their access to the "Designated Materials" under the "Proprietary Agreement," the Derivative Plaintiffs filed a Petition for Leave to Intervene and Nicor Gas subsequently filed a Motion for Ruling. Because the Derivative Plaintiffs agreed with the relief sought in Nicor Gas' Motion for Ruling, the Derivative Plaintiffs withdrew their Petition for Leave to Intervene. (Mot. For Ruling par. 3) Nicor Gas's

Motion for Ruling was intended to be resolved during or prior to the Status Hearing in this proceeding on September 9, 2004. However, consideration of the motion was delayed and continues to be delayed due to a disagreement among the parties to the ICC proceeding concerning access by one or more of those parties to documents produced by the Defendants in the Derivative Litigation. The Derivative Plaintiffs take no position in that dispute. Moreover, any disagreement regarding that dispute should not impact on the Derivative Plaintiffs' access to the "Designated Materials" under the "Proprietary Agreement." In fact, no party in this proceeding objects to the Derivative Plaintiffs' request for access to the "Designated Materials."

7. In its Motion for Ruling (par. 2), Nicor Gas "submits that, notwithstanding the Proprietary Agreement in place in this case, the Derivative Plaintiffs should be permitted access to all documents, pleadings, and other materials designated as "Designated Material" under the Proprietary Agreement."

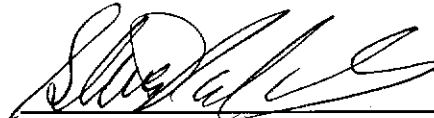
8. In its Motion for Ruling (par. 3), Nicor Gas "further submits that the Derivative Plaintiffs should not have to sign or be bound by the provisions of the Proprietary Agreement. However, all documents, pleadings, and other materials produced to the Derivative Plaintiffs which have been designated as "Designated Material" under the Proprietary Agreement also will be designated as "Designated Material" under the terms of the Agreed Protective Order entered by the Cook County Circuit Court on April 12, 2004 in *In re Nicor Inc. Shareholder Derivative Litigation*, Case No. 02 CH 15499, as it now exists and under amendments thereto, if any."

9. Based on all the above, the Derivative Plaintiffs' request for access to the "Designated Material" under the "Proprietary Agreement" should be granted without further delay.

WHEREFORE, the Derivative Plaintiffs respectfully request that the ALJs grant the instant Petition and provide such other relief as is just and proper.

Dated: October 14, 2004

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Steven P. Schneck', is written over a horizontal line.


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VERIFICATION

I, Steven Paul Schneck, being first duly sworn, hereby state that I am an attorney for the Derivative Plaintiffs in *In re Nicor Inc. Shareholder Derivative Litigation*, Case No. 02 CH 15499, pending in the Circuit Court of Cook County, Illinois, Chancery Division, I am authorized to make this Verification on their behalf, that I have read the foregoing Petition of the Derivative Plaintiffs For Access To "Designated Material" Under "Proprietary Agreement" in Consol. Docket Nos. 01-0705, 02-0067 and 02-0725, that I have knowledge of the facts stated therein, and that the same are true and correct to the best of my knowledge, information, and belief.



Subscribed and sworn to before me
this 14 day of October 2004.



Notary Public
OFFICIAL SEAL
VALEREE G HAAS
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 12/26/04

CERTIFICATE OF SERVICE

I, Steven Paul Schneck, an attorney, hereby certify that I caused a copy of Petition of the Derivative Plaintiffs For Access To "Designated Material" Under "Proprietary Agreement" to be served upon all counsel on the attached service list via email at the e mail addresses set forth therein on October 14, 2004.

A handwritten signature in black ink, appearing to read "Steven Paul Schneck", is written over a horizontal line. Below the line is a long, sweeping horizontal flourish.

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